GOVERNMENT OF INDIA
SPACE
LOK SABHA

UNSTARRED QUESTION NO:2822
ANSWERED ON:17.12.2008
LACK OF TRANSPARENCY IN PROCUREMENT OF EQUIPMENT
Adhalrao Patil Shri Shivaji;Adsul Shri Anandrao Vithoba;Verma Shri Ravi Prakash

Will the Minister of SPACE be pleased to state:

(a) whether the Comptroller and Auditor-General of India in their report has pointed out lack of transparency, accountability, fairness and competitiveness in the purchase of equipment and materials by the Department of Space as reported in The Hindu dated 26 October, 2008;

(b) if so, the details thereof;

(c) whether the Government has conducted any inquiry in this regard;

(d) if so, the outcome thereof, if not, the reasons therefor; and

(e) the corrective steps taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE PRIME MINISTER'S OFFICE AND MINISTER OF STATE IN THE MINISTRY OF PERSONNEL,PUBLIC GRIEVANCES & PENSIONS(SHRI PRITHVIRAJ CHAVAN):

(a) & (b) The Comptroller and Auditor-General (CAG) of India in their report No.PA 2 of 2008 (Scientific Departments) has commented on adoption of exceptional mode of tendering limiting competition; the evaluation of tenders; changes in techno-commercial terms; delays in placement of Purchase Orders; etc., in the performance audit on procurement of stores and inventory control in Department of Space (DOS).

(c) No, Sir.

(d) As per the existing procedure, after the CAG's report is tabled in the Parliament, Department will furnish the Action Taken Note to the Audit for vetting, before sending to the monitoring cell in the Ministry of Finance.

(e) The Department has a system of periodically reviewing the administrative procedures in order to improve the efficiency. As a part of this ongoing process, the Department has further strengthened the procurement procedures in order to reduce the procurement & inspection delays; judicious choice of tendering mode; rigorous evaluation of tenders; monitoring of advances & Bank Guarantee; etc.,